

Introduced by Senator Johnson

February 20, 2002

An act to amend Section 1091.3 of the Government Code, and to amend Section 14087.57 of the Welfare and Institutions Code, relating to conflict of interest.

LEGISLATIVE COUNSEL'S DIGEST

SB 1529, as introduced, Johnson. Conflicts of interest.

(1) Existing law, the California Children and Families Act of 1998, establishes the California Children and Families Commission for purposes of administering the California Children and Families Program, which provides for the distribution of funds to local children and families commissions to be used for the implementation of comprehensive early childhood development and smoking prevention programs.

Existing law prohibits certain state and local officers and employees from being financially interested in any contract made by them in their official capacity, or by any body or board of which they are members, and prohibits any state, county, district, judicial district, and city officers or employees from being purchasers at any sale or vendors at any purchase made by them in their official capacity. However, this prohibition does not apply to any contract or grant made by local children and families commissions created pursuant to the California Children and Families Act of 1998, except in certain circumstances.

This bill would make a technical, nonsubstantive change to these provisions.

(2) Existing law permits a special commission to be created in San Mateo County and any other county designated by the California Medical Assistance Commission, in order to, among other things, enter

into contracts for the provision of health care services to the county's Medi-Cal recipients and to subscribers in the Healthy Families Program.

Existing law specifies that a member of a commission or advisory committee to the commission established pursuant to the authority described above shall not be deemed to be interested in a contract entered into by the commission for purposes of certain prohibitions applicable to specified public officers and employees in certain circumstances, if certain conditions apply.

This bill would make a technical, nonsubstantive change to these provisions.

Vote: majority. Appropriation: no. Fiscal committee: no. State-mandated local program: no.

The people of the State of California do enact as follows:

1 SECTION 1. Section 1091.3 of the Government Code is
2 amended to read:

3 1091.3. Section 1090 shall not apply to any contract or grant
4 made by a county children and families commission, created
5 pursuant to the California Children and Families Act of 1998,
6 (Division 108 (commencing with Section 130100) Health and
7 Safety Code) except where both of the following conditions are
8 met:

9 (a) The contract or grant directly relates to services to be
10 provided by any member of a county children and families
11 commission or the entity the member represents or financially
12 benefits the member or the entity he or she represents.

13 (b) The member fails to recuse himself or herself from making,
14 participating in making, or in any way attempting to use his or her
15 official position to influence a decision *or decisions* on the grant
16 or grants.

17 SEC. 2. Section 14087.57 of the Welfare and Institutions
18 Code is amended to read:

19 14087.57. Notwithstanding any provision of law, a member
20 of a commission authorized by Section 14087.51 or 14087.54, or
21 a member of any advisory committee to the commission, shall not
22 be deemed to be interested in a contract *or agreement* entered into
23 by the commission within the meaning of Article 4 (commencing



1 with Section 1090) of Chapter 1 of Division 4 of Title 1 of the
2 Government Code if all of the following apply:

3 (a) The member was appointed to represent the interests of
4 physicians, health care practitioners, hospitals, pharmacies, or
5 other health care organizations.

6 (b) The contract authorizes the member or the organization the
7 member represents to provide services under the commission's
8 program.

9 (c) The contract contains substantially the same terms and
10 conditions as contracts entered into with other individuals or
11 organizations that the member was appointed to represent.

12 (d) The member does not influence or attempt to influence the
13 commission or another member of the commission to enter into the
14 contract in which the member is interested.

15 (e) The member discloses the interest to the commission and
16 abstains from voting on the contract.

17 (f) The commission notes the member's disclosure and
18 abstention in its official records and authorizes the contract in good
19 faith by a vote of its membership sufficient for the purpose without
20 counting the vote of the interested member.

